

**2005 DRAFTING REQUEST**

**Senate Amendment (SA-SA1-SB571)**

Received: 02/20/2006

Received By: rryan

Wanted: Soon

Identical to LRB:

For: Cathy Stepp (608) 266-1832

By/Representing: Dan Schmidt (Leg Counsel)

This file may be shown to any legislator: NO

Drafter: rryan

May Contact:

Addl. Drafters:

Subject: Criminal Law - miscellaneous

Extra Copies: MDK

Submit via email: YES

Requester's email: Sen.Stepp@legis.state.wi.us

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Definition of "financial institution" for purpose of crimes against financial institutions

---

**Instructions:**

See Attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/1	rryan 02/21/2006	jdye 02/21/2006	pgreensl 02/21/2006	_____	sbasford 02/21/2006	sbasford 02/21/2006	

FE Sent For:

<END>

**2005 DRAFTING REQUEST**

**Senate Amendment (SA-SA1-SB571)**

Received: 02/20/2006

Received By: rryan

Wanted: Soon

Identical to LRB:

For: Cathy Stepp (608) 266-1832

By/Representing: Dan Schmidt (Leg Counsel)

This file may be shown to any legislator: NO

Drafter: rryan

May Contact:

Addl. Drafters:

Subject: Criminal Law - miscellaneous

Extra Copies: MSK

Submit via email: YES

Requester's email: Sen.Stepp@legis.state.wi.us

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Definition of "financial institution" for purpose of crimes against financial institutions

---

**Instructions:**

See Attached

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rryan	1 2/2/06 JLD	2/2/06 JLD	2/2/06 JLD			

FE Sent For: PX <END>

Dan Schmelt  
amend. to SB 571

2/20/06

include consumer finance companies  
in definition of "FI" but  
exclude pawnbrokers & pay-day  
lenders



for Stepp's office

**Rose, Laura**

**From:** Risch, Jay  
**Sent:** Friday, February 17, 2006 3:31 PM  
**To:** Rose, Laura  
**Subject:** FW: SB 571

Hi Laura,

It is my understanding that you are working on an amendment to SB 571 that would include in the list of covered financial institutions consumer finance companies but exclude payday lenders, even though both are defined under s138.09. Perhaps this information would be useful as you draft this amendment.

Call me if you have any questions. Thanks -

Jay  
 6-1832

**From:** Peggy Partenfelder-Moede [mailto:peggypr@ekgmail.com]  
**Sent:** Tuesday, February 14, 2006 4:59 PM  
**To:** Risch, Jay  
**Cc:** Patrick Essie  
**Subject:** SB 571

Per your request listed below is some background as well as some possible language that might work so that groups such as American International Group (AIG) would also be covered under the financial crimes legislation. AIG offers consumer loans similar to Wells Fargo and Household Financial.

At the end of 2004 (05 data not available until March 06) there were 774 consumer loan licenses in Wisconsin. These licensees did \$1 Billion in consumer loans which resulted in 1.7 million different loans. These consumer finance companies also did \$5.4 Billion in other loans, primarily in real-estate, which resulted in 43,000 loan transactions.

These companies are as much at risk as other financial institutions and should be granted the same protections from financial fraud.

I fully understand your concern by amending all 138.09 into the bill and thereby creating the lightning rod of bringing the payday lending issue to the bill. Therefore if the drafting attorney could simply include 138.09, but exempt all the licensed payday lenders it would remove the issue altogether.

Here is the Kedzie amendment to SB 465 the worthless check statute bill and as you will note it exempts payday lending in the second sentence using the language "who agrees, for a fee, to hold the check for a period of time before negotiating or presenting the check for payment." Possibly similar language could be used to exempt payday lenders from 138.09 while including the remaining licensees under 138.09 into SB 571.

*943.24 (4) This section does not apply to a postdated check or to a check given for a past consideration, except a payroll check given by the issuer of the check to a person licensed under s. 138.09 who agrees, for a fee, to hold the check for a period of time before negotiating or presenting the check for payment.*

Thanks Jay, lets touch base tomorrow prior to the hearing. I will be at a meeting all morning, but will be

pawn brokers

accessible on my cell, 262-352-3351.

**Peggy J. Partenfelder Moede**

**Director of Public Affairs**

**Essie Kammer Group**

16 North Carroll Street, Suite 900

Madison, WI 53703

Ph: 608-256-7701 Fx: 608-251-8192

e-mail: [peggypm@EKGmail.com](mailto:peggypm@EKGmail.com)

website: [www.essiekammergroup.com](http://www.essiekammergroup.com)

ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 871

January 13, 2006 - Offered by Representative TOWNS.

1 AN ACT *to amend* 943.24 (4) of the statutes; **relating to:** postdated checks and  
2 checks given for past consideration.

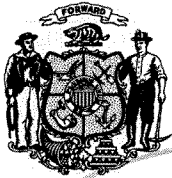
*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

3 SECTION 1. 943.24 (4) of the statutes is amended to read:

4 943.24 (4) This section does not apply to a postdated check or to a check given  
5 for a past consideration, except a payroll check given by the issuer of the check to a  
6 person licensed under s. 138.09 who agrees, for a fee, to hold the check for a period  
7 of time before negotiating or presenting the check for payment.

8

(END)



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRBa24177?

RLR:.....

Wanted Wed Am

Jld RMR

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

6-Note

**SENATE AMENDMENT ,  
TO SENATE AMENDMENT 1,  
TO 2005 SENATE BILL 571**

1 At the locations indicated, amend the amendment as follows:

2 1. Page 1, line 2: delete lines 2 to 6 and substitute:

3 "1m. Page 6, line 1: delete lines 1 to 4 and substitute:

4 "company, a credit union, as defined in s. 186.01 (2), a mortgage banker, as

5 defined in s. 224.71 (3) (a), or a mortgage broker, as defined in s. 224.71 (4) (a),

6 whether chartered under the laws of this state, another state or territory, or under

7 the laws of the United States; a company that controls, is controlled by, or is under

8 common control with a bank, a savings bank, a savings and loan association, a trust

9 company, a credit union, a mortgage banker, or a mortgage broker; or person licensed

10 under s. 138.09, other than a person who agrees for a fee to hold a check for a period

NO

NO

a

1 of time before negotiating or presenting the check for payment and other than a  
2 pawnbroker, as defined in s. 138.10 (1) (a).".".

3 (END)

*d-note  
↓*



**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBa2417/1dn

RLR:.....

^  
jld

Dan Schmidt and Jay Risch:

This amendment adds consumer finance companies (other than payday lenders and pawnbrokers) to the definition of "financial institution." I drafted it as an amendment to Senate Amendment 1 because both this amendment and Senate Amendment 1 affect the definition of "financial institution." I included consumer finance companies in the definition, but did not include a company that controls, is controlled by, or is under common control with a consumer finance company. Is this your intent?

Robin Ryan  
Legislative Attorney  
Phone: (608) 261-6927  
E-mail: robin.ryan@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBa2417/1dn  
RLR:jld:pg

February 21, 2006

Dan Schmidt and Jay Risch:

This amendment adds consumer finance companies (other than payday lenders and pawnbrokers) to the definition of "financial institution." I drafted it as an amendment to Senate Amendment 1 because both this amendment and Senate Amendment 1 affect the definition of "financial institution." I included consumer finance companies in the definition, but did not include a company that controls, is controlled by, or is under common control with a consumer finance company. Is this your intent?

Robin Ryan  
Legislative Attorney  
Phone: (608) 261-6927  
E-mail: robin.ryan@legis.state.wi.us